

Message Text

CONFIDENTIAL

PAGE 01 OECD P 24205 01 OF 02 191847Z

46

ACTION EB-07

INFO OCT-01 CIAE-00 COME-00 DODE-00 NRC-05 NSAE-00 USIA-06

TRSE-00 EUR-12 ERDA-05 ISO-00 ACDA-07 EA-07 /050 W

----- 052901

R 191833Z AUG 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 3162

C O N F I D E N T I A L SECTION 01 OF 02 OECD PARIS 24205

EXCON

E.O. 11652: XGDS1

TAGS: ESTC, COCOM

SUBJECT: IMPROVING US COMPLIANCE WITH COCOM RULES

REF:) STATE 200221, (B) COCOM DOC CONTR (76) 3.2

(C) COCOM DOC CONTR (76) 3.1

SUMMARY. THE COMING EXPORT CONTROL SUBCOMMITTEE MEETING MAY PROVIDE A FORUM FOR DEBATE ON U. S. CE COMPLIANCE WITH COCOM PROCEDURES AS WELL AS FOR DISCUSSION OF COMPLIANCE AND ENFORCEMENT ISSUES. LONG U. S. DELAYS IN PROCESSING OTHER MEMBERS' CASES HAVE IMPOSED SEVERE STRAINS ON THE COCOM SYSTEM AND OUR COCOM COLLEAGUES MAY WELL DEMAND GREATER U. S. RESPECT FOR COCOM DEADLINES AS A PRECONDITION FOR IMPROVED DILIGENCE ON THEIR PART IN COMPLIANCE AND ENFORCEMENT MEASURES. PROMPT ACTION TOWARD IMPROVED U. S. PERFORMANCE IS RECOMMENDED. END SUMMARY.

1. U. S. PROPOSALS FOR ADDITIONS TO AGENDA OF EXPORT CONTROL SUBCOMMITTEE (REFS A AND B) INCLUDED THE ITEM: "EVIDENCE OF INCREASING DIVERSIONARY ACTIVITY AND NEED FOR COUNTERACTION BY COCOM GOVERNMENTS." COMPLIANCE STUDY RECOMMENDS STEPS TO ENCOURAGE STIFFER ENFORCEMENT OF EMBARGO BY OTHER MEMBERS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 OECD P 24205 01 OF 02 191847Z

2. GERMAN PROPOSALS (REF C), ON THE OTHER HAND, INCLUDE

THE FOLLOWING INTERESTING ITEM: "AVOIDANCE OF DELAYING COCOM APPROVAL FOR EXPORTS REQUIRING A NATIONAL UNITED STATES RE-EXPORT LICENSE."

3. THIS LATTER ITEM, REFLECTING ANNOYANCE OF GERMAN DEL OVER US LICENSING DELAYS, MAY ALSO PROVIDE OTHER MEMBERS AN OCCASION TO DEBATE THE WHOLE PROBLEM OF US DELAYS IN CONSIDERATION OF THEIR EXCEPTION REQUESTS, WHETHER OR NOT US LICENSING ACTION IS INVOLVED. WHILE THE U. S. APPROVES A MAJORITY OF OTHER MEMBERS' REQUESTS WITHIN A REASONABLE TIME, IN A ALL BUT NEURALGIC MINORITY WE REMAIN WITHOUT A POSITION FOR LONG PERIODS, SOMETIMES MANY MONTHS.

4. US DELAYS ARE OF TWO TYPES:

(A) THOSE STEMMING FROM OUR OWN LICENSING PROCEDURES WHERE U. S. GOODS OR TECHNOLOGY ARE INVOLVED;

(B) THOSE ON WHICH US DEL RECEIVES NO INSTRUCTIONS BY AGREED DEADLINES AND IS COMPELLED TO REQUEST REPEATED EXTENSIONS OF TIME.

AS OF DECEMBER 31, 1975, 35 PENDING EXCEPTION REQUESTS HAD BEEN SUBJECT TO US RESERVES FOR LICENSING ACTION FOR THREE MONTHS OR MORE, AND 14 OF THESE HAD BEEN PENDING FOR OVER 6 MONTHS. SINCE BEGINNING OF THIS YEAR, SOME ELEVEN CASES HAVE BEEN HELD ON LICENSING RESERVE FOR AT LEAST 3 MONTHS. DURING THE FIRST HALF OF THE CURRENT YEAR, US DEL HAS BEEN WITHOUT ANY INSTRUCTIONS FOR PERIODS OF ONE MONTH OR MORE AFTER THE DUE DATES ON SEVEN CASES NOT REQUIRING U. S. LICENSING ACTION.

5. THERE HAS BEEN TACIT UNDERSTANDING IN COCOM THAT PENDENCY OF U. S. LICENSING ACTION IS GROUND FOR RESERVE EVEN THOUGH THE COMMITTEE'S RULES MAKE NO PROVISION FOR IT AND NO OTHER MEMBER IMPOSES ITS OWN LICENSING MECHANISM ON OTHERS' REQUESTS. THE AGREED PROCEDURAL DEADLINES ARE SUSPENDED IN SUCH CASES, AGAIN BY TACIT (THOUGH RELUCTANT) CONSENT. WE ABUSE THIS ACQUIESCENCE BY LONG AND UNEXPLAINED DELAYS IN COMPLETING ACTION. THERE HAS NEVER BEEN ANY UNDERSTANDING, TACIT OR OTHERWISE, THAT THE DEADLINES CAN BE SUSPENDED IN THE SECOND

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 OECD P 24205 01 OF 02 191847Z

CATEGORY OF CASES (THOSE NOT INVOLVING US LICENSING ACTION) WHEN US AUTHORITIES SIMPLY CANNOT MAKE UP THEIR MINDS. IN SUCH CASES, THE FACT THAT NO US GOODS OR TECHNOLOGY ARE INVOLVED IS AN ADDED IRRITANT. ALL THESE SITUATIONS, IN BOTH CATEGORIES, HAVE A NUISANCE VALUE FAR OUT OF PROPORTION TO THEIR RELATIVELY SMALL NUMBER. AT ALMOST ANY GIVEN MOMENT THERE MAY BE SEVERAL EXCEPTION REQUESTS ON WHICH A US POSITION IS LONG OVERDUE.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 OECD P 24205 02 OF 02 191849Z

46

ACTION EB-07

INFO OCT-01 CIAE-00 COME-00 DODE-00 NRC-05 NSAE-00 USIA-06

TRSE-00 EUR-12 ERDA-05 ISO-00 ACDA-07 EA-07 /050 W

----- 052944

R 191833Z AUG 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 3163

C O N F I D E N T I A L SECTION 02 OF 02 OECD PARIS 24205

EXCON

6. THESE CHRONIC IRRITANTS WERE CAPPED, DURING THE MOST RECENT LIST REVIEW, BY THE LACK OF TIMELY AND FLEXIBLE INSTRUCTIONS TO US DEL THAT PRODUCED SO MANY NEGOTIATING CRISES. THE COMMITTEE WILL BEAR THE SCARS OF THOSE BATTLES FOR A LONG TIME.

7. US BEHAVIOR IN COCOM HAS NOT ONLY VIOLATED THE SPIRIT AND THE LETTER OF AGREED COCOM PROCEDURES. IT HAS AROUSED AMONG OUR COCOM PARTNERS THE SUSPICION THAT THEIR AMERICAN ALLY FURTHERS ITS OWN INTERESTS AND CONVENIENCE AT THE EXPENSE OF THEIRS. EXPERIENCE HAS TAUGHT THEM THAT WHEN US PROCEDURES CLASH WITH COCOM RULES, THE FORMER USUALLY PREVAIL, IN DISREGARD OF OUR INTERNATIONAL OBLIGATIONS AND OF THE LEGITIMATE INTERESTS OF OUR ALLIES. IN A WORD, THE UNITED STATES HAS PLACED SEVERE STRAINS UPON THIS INTERNATIONAL COMMITTEE WHICH IT HELPED TO FOUND. THESE STRAINS HAVE DAMAGED THE COMMITTEE'S CREDIT IN THE INDUSTRIAL WORLD AND OFTEN PREVENTED IT FROM FUNCTIONING IN THE MANNER ORIGINALLY INTENDED.

8. IF, WITH THIS BACKGROUND, WE ASK OUR ALLIES TO TIGHTEN THEIR ENFORCEMENT OF THE EMBARGO, IT SHOULD NOT C

COME AS ANY SURPRISE IF THEY, IN RETURN, ASK US TO
IMPROVE OUR COMPLIANCE WITH THE COMMITTEE'S RULES OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 OECD P 24205 02 OF 02 191849Z

PROCEDURE. A DEMONSTRATION OF OUR INTENTION AND ABILITY
TO DO SO WOULD BE A STEP TOWARD RESTORING THEIR SHAKEN
CONFIDENCE IN THE COCOM SYSTEM.

9. ACCORDINGLY, U. S. DEL RECOMMENDS THAT EDAC AGENCIES
SPEED THEIR CONSIDERATION OF WAYS TO IMPROVE SIGNIFL-
CANTLY US COMPLIANCE WITH ITS COCOM OBLIGATIONS. AMONG
ACTIONS WHICH DESERVE PROMPT CONSIDERATION ARE:

- (A) TO STREAMLINE US LICENSING OF RE-EXPORT CASES SUB-
MITTED BY OTHER MEMBERS SO THAT THEY WOULD SELDOM BE
PENDING BEFORE COCOM FOR MORE THAN THREE MONTHS (THIS
WOULD BE IN HARMONY WITH THE TERMS OF SECTION 4(G) OF
THE EXPORT ADMINISTRATION ACT);
- (B) TO ACCEPT CHANGES IN COCOM CRITERIA PROPOSED BY UK,
AND PREPARE FOR NEXT LIST REVIEW ON THAT BASIS;
- (C) TO ACCEPT 90-DAY AUTOMATIC APPROVAL AND DILUTION
OF UNANIMITY RULE ALONG LINES SUGGESTED BY US DEL IN
MEMO TO ROBERT WRIGHT DATED FEBRUARY 11, 1976;
- (D) TO CONSIDER APPROVING REQUESTS IN COCOM EVEN BEFORE
US LICENSING PROCEDURES APPLICABLE TO THEM ARE COM-
PLETED.

4. US DEL HOPES THAT WHEN THE EXPORT CONTROL SUBCOMMIT-
TEE CONVENES, WE WILL BE ABLE TO INFORM OTHER MEMBERS
THAT AT LEAST SOME OF THESE MEASURES WILL BE
PUT INTO EFFECT.
TURNER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, POLICIES, ESTC, STRATEGIC TRADE CONTROLS, COMMITTEE MEETINGS, TRADE CONTROLS, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OECDP24205
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: RR
Errors: N/A
Film Number: D760318-0958
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760838/aaaabgzu.tel
Line Count: 204
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 200221
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 21 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 APR 2004 by BoyleJA>; APPROVED <21 APR 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IMPROVING US COMPLIANCE WITH
TAGS: ESTC, US, COCOM
To: SECSTATE WASHDC
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006